

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

IN THE MARION CIRCUIT COURT

AVC NO. 03-002 4900103121 000391

IN RE: COINSTAR, INC.,)
)
 Respondent.)

FEB 18 2003

ASSURANCE OF VOLUNTARY COMPLIANCE

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Roger D. Smith, and the Respondent, Coinstar, Inc., enter into an Assurance of Voluntary Compliance (Assurance), pursuant to Indiana Code §23-7-8-1 et seq.

Any violation of the terms of this Assurance constitutes prima facie evidence of a deceptive act. This Assurance is entered into without any adjudication of any issue of fact or law, and upon consent of the parties.

The parties agree:

1. Respondent is a Washington corporation engaged in professional fundraising solicitations, with a principal place of business at 1800 One Hundred and Fourteenth Avenue, SW, Bellevue, Washington, 98004, and transacts business with Indiana consumers.
2. The terms of this Assurance apply to and are binding upon Respondent, its employees, agents, representatives, successors, and assigns.
3. Respondent, in acting as a professional fundraiser consultant or soliciting charitable contributions, agrees to comply in all aspects with the Professional Fundraiser Consultant and Solicitor Registration Act, Ind. Code §23-7-8 et seq., including:
 - a. Before acting as a professional fundraiser consultant or professional solicitor in the State of Indiana on behalf of any charitable organization, Respondent will register with the Indiana Attorney General's Consumer Protection Division.

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b. Respondent will notify the Division in writing within 180 days of any change in the information contained in Respondent's registration.

c. Before acting as a professional fundraiser consultant for any particular charitable organization, Respondent will enter into a written contract with the organization and will file this contract with the Division. All such contracts will:

- i. identify the services that Respondent is to provide; and,
- ii. state whether Respondent will at any time have custody of contributions.

d. Before acting as a professional solicitor or otherwise soliciting, Respondent will enter into a written contract with the charitable organization for which it is soliciting, and will file the contract with the Division. All such contracts will:

- i. specify the percentage of gross contributions which the charitable organization will receive or the terms upon which a determination can be made as to the amount of the gross revenue from the solicitation campaign that the charitable organization will receive. The amount that the charitable organization will receive will be expressed as a fixed percentage of the gross revenue or as a reasonable estimate of the gross revenue. If a fixed percentage is used, the percentage must exclude any amount that the charitable organization is to pay as expenses of the solicitation campaign, including the cost of any merchandise or services sold; and
- ii. disclose the average percentage of gross contributions collected on behalf of charitable organizations that the charitable organizations received from Respondent for the three (3) years preceding the year in which the contract is formed.

e. Before beginning a solicitation campaign, Respondent will file a solicitation notice with the Division. The notice will include the following:

- i. a copy of Respondent's contract with the charitable organization;
- ii. the projected dates when soliciting will begin and end;
- iii. the location(s) and telephone number(s) from where solicitations will be conducted;

- iv. the name and residence address of each person responsible for directing and supervising the conduct of the campaign; and

- v. if the solicitation is one in which a bona fide police, law enforcement, rescue squad, or fire department has authorized the use of the name "police", "law enforcement", "trooper", "rescue squad", "firemen", or "firefighter", the solicitation notice will include a copy of the written authorization given by such bona fide organization for which Respondent is soliciting.

f. Within 90 days of completing any solicitation campaign, other than one for which a bona fide police, law enforcement, rescue squad, or fire department has provided a written authorization to use the name "police", "law enforcement", "trooper", "rescue squad", "firemen", or "firefighter", Respondent will file with the Division an end of campaign report containing the following information:

- i. the total gross amount of money raised by Respondent and the charitable organization from donors;

- ii. the total amount of money paid to or retained by Respondent;

- iii. the total amount of money, excluding the amount identified in paragraph 3.f.ii above, paid by the charitable organization as expenses as part of the solicitation campaign; and,

- iv. the total amount of money received by the charitable organization after

deducting the amounts identified in paragraphs 3.f.ii and 3.f.iii above.

g. Respondent will keep accurate fiscal records regarding its activities in Indiana, and will retain such records for at least three (3) years after the end of the period of registration to which they relate.

h. Respondent will disclose the following at the time of the solicitation and before the donor agrees to make a contribution:

i. the name and, upon request, the address of the charitable organization that Respondent is representing;

ii. the fact that the person soliciting the contribution is, or is employed by, a professional solicitor, and the fact that the professional solicitor is compensated;

iii. the full name of the professional solicitor and, upon request, the telephone number the person being solicited can call to confirm the information provided under this section; and

iv. the charitable purpose for which the funds are being raised.

i. Respondent will mail a written confirmation within ten (10) days after each solicitation in which a contribution is given. This confirmation will include the disclosures enumerated in paragraphs 3.h.i and 3.h.ii above.

j. Respondent will not:

i. use the fact of registration as an endorsement by the State;

ii. use the name "police", "law enforcement", "trooper", "rescue squad", "firemen", or "firefighter" unless a bona fide police, law enforcement, rescue squad, or fire department authorizes its use in writing;

iii. misrepresent to anyone that the contribution will be used for a charitable

purpose if it has reason to believe the contribution will not be used for a charitable purpose;

iv. misrepresent to anyone that another person endorses the solicitation unless that person has consented in writing to the use of the person's name for the purpose of endorsing the solicitation;

v. misrepresent to anyone that the contribution is solicited on behalf of anyone other than the charitable organization that authorized the solicitation; or

vi. collect or attempt to collect a contribution in person or by means of a courier unless:

a. the solicitation is made in person and the collection or attempt to collect is made at the time of the solicitation; or

b. the contributor has agreed to purchase goods or items in connection with the solicitation, and the collection or attempt to collect is made at the time of delivery of the goods or items.

4. Respondent, in soliciting and/or contracting with consumers, agrees to comply in all aspects with the Deceptive Consumer Sales Act, Ind. Code §24-5-0.5-1 et seq.

5. Respondent agrees, pursuant to Ind. Code §23-7-8-2(e), to provide a copy of all of Respondent's solicitation contracts with the United States Fund for UNICEF for the year 2001 to the Office of the Attorney General no later than February ²⁵~~11~~, 2003.

6. Respondent agrees, pursuant to Ind. Code §23-7-8-2(e), to provide a copy of all of Respondent's solicitation contracts with The Leukemia and Lymphoma Society for the year 2000 and 2001 to the Office of the Attorney General no later than February ²⁵~~11~~, 2003.

7. Respondent agrees, pursuant to Ind. Code §23-7-8-2(e), to provide an addendum to Respondent's solicitation contract dated September 23, 2002 with the American Red Cross that discloses the average percentage of gross contributions collected on behalf of charitable organizations that the charitable organizations received from Respondent for the three (3) years preceding the year 2002 to the Office of the Attorney General no later than February ²⁵~~11~~, 2003.

8. Respondent agrees, pursuant to Ind. Code §23-7-8-2(e), to provide an addendum to Respondent's solicitation contract dated September 30, 2002 with the United States Fund for UNICEF that discloses the percentage of gross contributions which the charitable organization will receive or the terms upon which a determination can be made as to the amount of the gross revenue from the solicitation campaign that the charitable organization will receive to the Office of the Attorney General no later than February ²⁵~~11~~, 2003.

9. Respondent agrees, pursuant to Ind. Code §23-7-8-2(e), to provide an addendum to Respondent's solicitation contract dated September 30, 2002 with the United States Fund for UNICEF that discloses the average percentage of gross contributions collected on behalf of charitable organizations that the charitable organizations received from Respondent for the three (3) years preceding the year 2002 to the Office of the Attorney General no later than February ²⁵~~11~~, 2003.

10. Respondent agrees, pursuant to Ind. Code §23-7-8-2(f), to provide a completed solicitation notice to the Office of the Attorney General no later than February ²⁵~~11~~, 2003 for the following campaigns:

a. Respondent's campaign with American Red Cross, which was to start on or around September 23, 2002;

b. Respondent's campaign with Food for All, which was to start on or around December 17, 2001;

c. Respondent's campaign with the United States Fund for UNICEF, which was to start on or around September 30, 2002; and

d. Respondent's campaign with The Leukemia and Lymphoma Society, which was to start on or around February 1, 2001.

11. Respondent agrees pursuant to Ind. Code §23-7-8-2(g) to provide end of campaign reports for all campaigns that ended between July 1, 1998 and October 21, 2002 to the Office of the Attorney General no later than February ²⁵~~1~~, 2003.

12. Respondent agrees that all information Respondent provides in response to paragraph 5, 6, 7, 8, 9, 10, and 11 will comply in all aspects with the Professional Fundraiser Consultant and Solicitor Registration Act, Ind. Code §23-7-8-1 et seq.

13. Upon execution of this Assurance, Respondent shall pay costs in the amount of Five Hundred and 00/100 Dollars (\$500.00) to the Office of the Attorney General.

14. Respondent shall not represent that the Office of the Attorney General approves or endorses Respondent's past or future business practices, or that execution of this Assurance constitutes such approval or endorsement.

15. Respondent shall fully cooperate with the Office of the Attorney General in the resolution of any future written complaints the Consumer Protection Division receives.

16. The Office of the Attorney General shall file this Assurance with the Circuit Court of Marion County. The Court's approval of this Assurance shall not act as a bar to any private right of action.

DATED this 5th day of FEBRUARY, 2003.

STATE OF INDIANA

RESPONDENT

STEVE CARTER
Attorney General of Indiana

COINSTAR, INC.,

by: Roger D. Smith
Roger D. Smith
Deputy Attorney General
Attorney No. 23152-49

by: Sarah Ward
Printed: Sarah Ward
Title: Cruise Marketing Manager

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Indiana Government Center South
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Indianapolis, IN 46204
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APPROVED, this _____ day of FEB 18 2003, 2003.

Fluodore MD
Judge, Marion County Circuit Court